

DERBYSHIRE SCHOOLS FORUM

1st December 2021

6:00pm

Virtual Meeting

AGENDA

1. Apologies for Absence
2. Minutes of the Schools Forum meeting held on 13th October 2021 p.2
3. Schools Forum – Membership update p.9
4. Salary Sacrifice Shared Cost Additional Voluntary Contributions p.11
5. DSG monitoring 2021-22 – Quarter 2 p.13
6. DfE consultation - Reforming how local authorities' school improvement functions are funded p.17
7. Central School Services Block budgets 2022-23 p.25
8. High Needs Block 2022-23 – initial review p.30
9. Venue(s) for physical meetings – open discussion
10. Dates of future meetings:

27th January 2022 6:00 p.m. (Virtual)

29th June 2022 5:00 p.m. Post Mill Centre, South Normanton.

Please remember to send any apologies to
schoolsforum@derbyshire.gov.uk

DERBYSHIRE COUNTY COUNCIL

DERBYSHIRE SCHOOLS' FORUM

Minutes of the Meeting Held on 13th October 2021

At 5pm at The Post Mill Centre, South Normanton

Present

Members

George Wolfe
Peter Johnston
Siobhan Johnston
Jennifer Murphy
Peter Hallsworth
Chris Greenhough
Martin Brader
Nick Goforth
Tom England
Julian Scholefield
Tim Croft
Keith Hirst
Margaret Mason
Sarah Baker
Peter Crowe
Lisa Key
Deborah Turner
Michelle Jenkins

Substitutes

Members

Cilla Holman
Chris Wayment

Observers

Members

Cllr Alex Dale
Cllr Robert Flatley

DCC Officers/others

Members

Saranjit Shetra
Iain Peel
Paula Williams
Chris Allcock
Shelley Kerlake
Elena Beard
Phil Burrows
Andy Walker
Ruth Lane

School / Organisation

Curbar Primary
The Village Federation
The Brigg Infants
Hunloke Park Primary
South Normanton Nursery
Swanwick School & Sports College
Dronfield Henry Fanshawe
Belper School
AV&E Support Centre
Esteem MAT
Redhill Academy Trust
Brookfield Community School
Children 1st
Team Education Trust
ASCL
QEGS
NEU
Etwell Primary School

School / Organisation

Hadfield Infants School
ASCL

School / Organisation

Elected Member DCC
Elected Member DCC

School / Organisation

Assistant Director, Education and Improvement
Service Director, Schools and Learning
Assistant Director, Learning Access & Inclusion
Children's Services Finance
Children's Services Finance
Children's Services Finance
Children's Services Finance
Children's Services Finance
Children's Services Finance

Martin Brader chaired the meeting. Chris Allcock confirmed that the meeting was quorate and gave the Forum details of updated membership.

Sarah Lorking has been replaced by Tim Croft. Dan O'Donovan has been replaced by Tom England. Canon Wainscott has been replaced by Canon Lewis. Neil Beeson has left, no

replacement yet. The CEO Network appears to have folded leaving the position formerly filled by Michelle Hill vacant.

21/19 Apologies

Members

Thomas Osborn
Alan Thomas
Canon Carolyn Lewis
Nicola Foulds
Ben Riggott
Emma Hill
Philip Curtis
Cllr Julie Patten
Cllr Ruth George

School / Organisation

Baslow St Anne's Primary
Northfield Junior School
Church of England Diocese-Derby
The Dales Federation
Parkside Community
Castle View Primary
Catholic Dioceses of Nott'm and Hallam
Elected Member DCC
Elected Member DCC

21/20 Minutes of the meeting held on 30th June 2021

The minutes were approved for accuracy and there were no matters arising.

21/21 DfE Consultation "Fair school funding for all – completing our reforms to the National Funding Formula"

Chris Allcock presented the paper to inform the Schools Forum of the DfE's latest consultation regarding mainstream school funding, to identify potential local issues and to share the LA's response.

Chris confirmed that he had circulated the LA's draft response in advance of its submission which is detailed in Appendix 1. The DfE are keeping the soft National Funding Formula (NFF) for the time being, giving LA's continued, but limited, discretion over their local funding formulae. DfE have reaffirmed their commitment to delivering a hard NFF in the future, but no timescale has been given.

Derbyshire are currently very close to the NFF, as are many other LA's, particularly in respect of pupil and school led allocations. However, the main difficult area relates to premises factors, specifically PFI, exceptional circumstances, and split site funding. The history behind individual schools' allocations is held locally and distributing resources via a hard formula could have a major impact on the schools that rely on these funding streams.

The DfE have confirmed they intend to retain growth and falling rolls funds. Derbyshire does not have a falling rolls fund as it can only be used to support Good or Outstanding schools.

The DfE propose requiring local authorities to move their formula 10% closer to the NFF. This requirement, which takes effect from 2023-24, should not present any major difficulties locally as our formula already closely mirrors the NFF.

The DfE propose no changes for 2022-23 and LAs, with the support of their Schools Forum can continue to de-delegate funds for specified services if they so wish.

The DfE is considering ceasing the Central School Services Block (CSSB) altogether and requiring LA's to cover these responsibilities by other means e.g. trading or de-delegation. Funding for any remaining responsibilities may be transferred from the DSG to MCHLG (Ministry for Communities, Housing & Local Government) grants. The DfE repeated their intention to phase out the historic commitments element of funding from this block.

Pooling of funding for Multi Academy Trusts (MATs) is to continue, although the DfE do not see any role for equivalent pooling arrangements in other parts of the education system.

An SEND review is expected, although it is understood that this will now be published in the spring. A further funding consultation is anticipated to consider how a hard NFF can best support SEND provision.

The DfE have signalled they are looking at the implications of moving LA maintained schools on to an academic year accounting period, bringing them into line with academies.

Julian Scholefield pointed out that although MAT pooling of funds can be undertaken only 18% of MATs do so currently and they need permission from the ESFA. Deborah Turner said that MAT pooling can cause problems, Doncaster being cited as an example, leading to money being taken back by the DfE.

Schools Forum agreed to note the DfE's consultation proposals and the response submitted.

21/22 De-Delegation of Funding 2022-23 – Responses to Consultation

Chris Allcock presented the paper to ask representatives of LA maintained primary, secondary and special schools on the Schools Forum to consider the de-delegation of funds for 2022-23.

The funding announcements in July 2021 allow de-delegation to be an option again for 2022-23. The LA wrote to schools in the summer and Table 1 indicates the responses to the consultation. In all areas 80% or more supported the de-delegation or top-slicing of funds.

In view of the responses, the report recommended that funding for the services listed should be de-delegated/top sliced for 2022-23 for LA maintained primary, secondary and special schools.

The consultation also asked schools for their views regarding an alternative insurance provider, should the Authority decide to trigger the break clause in its current contracts. Responses indicated strong support for the School and Academy Insurance Framework (SAIF) with a 75% preference amongst the primary sector and 90% preference amongst secondary sector responses. A further report will be provided to the Forum on the insurance provider for schools at either the December 2021 or January 2022 meeting.

No comments were raised from the floor. Votes were then taken on the issue of the de-delegation/top-slicing of the budgets for 2022-23. The results were as follows:

Primary sector representatives agreed by a margin of six votes for and none against.

Secondary sector representatives agreed by a margin of two votes for and none against.

Special school representative agreed by a margin of one vote for and none against.

The Forum also agreed to seek Council's approval to the arrangements and noted the position regarding insurance and that a further report would be provided in December.

21/23 Indicative National Funding Settlement 2022-23

Chris Allcock presented the paper to inform the Schools Forum of the indicative National School Funding settlement for 2022-23 and the potential implications for Derbyshire.

Table 1 sets out the primary and secondary units of funding (PUFs and SUFs) which result in increases in funding of £9.664 million (+3.64%) for the primary sector and £7.097 million (+3.29%) for the primary sector. The total allocations are based on the October 2020 pupil census and will be revised when the October 2021 counts are confirmed. Funding for the cost of schools' rates has reduced slightly due to academy conversions, the reduction has no effect as the loss of funding is offset by a reduction in costs. An update on the Schools Block is expected to be available for the December Forum meeting.

Appendix 1 shows that National Funding Formula multipliers have increased by circa 3%, the exception being sparsity which has increased by 22% for primary schools and 14% for secondary schools. Notwithstanding recent increases in gas prices and the national insurance rates, the 3% increase for core multipliers is likely to be above the level of inflation. Nick Goforth interjected that he thought the NI increase was going to be funded in some way for schools.

The DfE are looking at changing the measurement relating to sparsity funding to use actual road distances. The change, which is welcome, will mean an additional 24 schools in Derbyshire becoming eligible for this funding.

The DfE have also allowed local authorities to introduce an additional distance threshold of 80% of the existing measurement. This would mean a further 30 schools would qualify for some degree of funding and remove the funding cliff edges from the current two mile (primary) and three mile (secondary) thresholds. Funding for these additional thresholds has been allowed for in the PUFs and SUFs. Chris offered the view that it was slightly odd that the additional thresholds are optional, given the policy objective is to have a consistent funding formula for all schools in all areas.

Pupil Growth Funding

Chris expects a broadly similar level of funding in 2022-23 as 2021-22. Further details will be confirmed at the December 2021 meeting once the October 2021 census data is known.

High Needs Block (HNB)

The HNB is set to increase by 8% in 2022-23, equivalent of £7.013m compared with 2021-22 funding levels. The DfE have changed the historic spend element of the calculation and Derbyshire this has contributed to our lower increase than some other LAs. The 2022-23 HNB allocation will be confirmed in December and will reflect updated import/export numbers and pupil data changes.

Central School Services Block (CSSB)

The pupil element funding has decreased by 2.5%, however this should not present any practical difficulties as the amount received exceeds the level of costs. Historic commitments funding, which in Derbyshire contributes to our Early Help Offer, has decreased by 20%. This reduction was expected. A report setting out the Authority's proposals for 2022-23 will be brought to the Schools Forum meeting in December.

Early Years Block

No information at this stage, we expect initial allocations to be published in December 2021.

Chris Greenhough asked that if we were changing measurements for sparsity from the crow flying to road distances, should we consider changing measurements for the calculation of SEN transport costs. There was no-one available to reply from the LA.

Peter Johnston asked about the DfE discretionary thresholds and said sparsity funding is a real 'game changer' for small schools. For his federation of four schools it accounted for 20% of the total budget share. Phil Burrows added that the sparsity discretionary thresholds do appear to be funded within our PUFs and SUFs. Chris Allcock added that it looks like we have the money and, from our modelling, can afford the allocations.

Schools Forum agreed to note the report.

21/24 Local Authority request to use 0.5% of Schools Block 2022-23: responses to consultation

Chris Allcock presented the paper to inform the Schools Forum of the LA's funding consultation for 2022-23 and summary of the responses received.

By way of background he said in each of the last three years the HNB has overspent by between £3.9m and £5.3m. This has resulted in an £8m Dedicated Schools Grant (DSG) surplus three years ago becoming a £6m deficit at the end of 2020-21.

For the current financial year, the plan had been to set a balanced High Needs Block (HNB) budget and allow the Central Schools Services Block to underspend by £0.725m, thus reducing the accumulated deficit. However, the latest monitoring shows a forecast HNB overspend of ~£4m at present which may increase before the year end. Therefore, the latest forecast is for an accumulated DSG deficit of between £9m and £10m by the end of 2021-22. The Schools Block transfer of 0.5% is now more critical than ever.

The consultation included schedules of the impact on individual schools, based on 2021-22 data. However, schools are not being asked to take a real terms cut next year because of the increase of 3% in NFF multipliers.

One question on the consultation was about Minimum Per Pupil Level thresholds (MPPL). If schools eligible for this funding contributed towards the 0.5% transfer, their contributions would be refunded to them by the MPPL factor. This would mean around 70 schools wouldn't contribute. The ESFA have signalled that the Secretary of State will not allow schools' funding to fall below the MPPL. This will potentially reduce the overall value of the 0.5% transfer to around £2m.

The consultation also asked how the funding sought from the transfer might otherwise be raised, including reducing key stage one class size support, not funding inflation within the HNB, reducing the HNB vulnerable children's fund and reducing the HNB contingency fund. There was little support for any of these options.

The response rate to the consultation was reasonable with 35% of primary schools, 40% of secondary schools and 10% of special schools engaging. The responses were set out in two tables and showed that primary schools were significantly in favour of the transfer, whilst secondary schools were significantly against it. In overall terms, and based on the number of children attending the schools that responded, 47% were in favour and 53% against.

Chris clarified that the Schools Forum decision is to approve/reject the 0.5% transfer, the impact on formula multipliers is a matter for the Authority, although he expected this would be as set out in the consultation.

All Forum members can vote, Council Elected Members are observers in this situation and have no vote. The Chair invited questions from the floor, and these included the following:

Deborah Turner commented that the unions were not normally involved in budget votes. Chris Allcock confirmed that he has specifically checked the eligibility rules with the DfE and the decision is for the whole Schools Forum.

Chris Wayment added that as a union representative she represents staff and the impact upon them of financial decisions and that perhaps this decision should look at how much extra funding schools will get in the 2022-23 settlement, not at how much they will lose. Chris Wayment felt the amounts involved would not trigger redundancies in any school setting. Chris

Allcock added that with hindsight it might have been helpful had the consultation shown the increases in formula budgets and how much the 0.5% would reduce these increases.

Siobhan Johnson asked why secondary schools are in general against the transfer and primary schools are in favour. Nick Goforth, said that as a secondary school representative, he felt that a 3% increase in multipliers was probably less than inflation in school expenditure. Also, as his school budget was so tight, if he didn't receive the MPPL funding in full it would cause redundancies in his school.

Chris Allcock said he had consulted on the basis that schools in receipt of the MPPL could contribute towards the transfer. However, in light of advice from the ESFA this is unlikely to be allowed and that as a result the £0.6m from these schools won't now be received.

Nick Goforth said that Leicestershire did a transfer from Schools Block to High Needs Block a few years ago but then chose not to do it again in subsequent years. They also took the alternative view of restricting HNB expenditure by reducing expensive Out of County placements and introducing more ER places in schools.

Chris Greenhough said he didn't complete the consultation but wanted to point out that the number of pupils supported by HNB is much greater than just the pupils in special schools with more than 50% of funding going in to EHCP/GRIPs.

Julian Scholefield pointed out that the Derbyshire position is not as bad as lots of other LA's and doesn't know of any LA that is not in a deficit position. He also re-iterated his concern that the central spend on SEN is too high. This has needed reviewing for years as our spend is more than other LA's.

Paula Williams replied that the LA is looking at these issues, but it takes time and there are proposals within the DSG recovery plan to achieve a reduction in central spend. She is also waiting for the DfE SEND review which has been delayed. She is having a meeting about independent provision this week and has been invited to be part of a tribunal panel on a national basis and commented that decisions about Out of County provision are often taken out of our hands by local tribunals.

Michelle Jenkins said that certain central services are just not meeting schools' needs. Paula Williams replied that she is working on this and looking at a redesign of two services in particular. Value for money reviews and a total redesign of SEN support services are being considered and a consultation will be published.

Peter Johnson said we are always concerned about balancing the books rather than necessarily solving the problem and this 0.5% transfer means that the significant problems around SEN remain. He is also worried that limiting the sparsity increase, the impact on small schools is big compared with the other contributors. He felt that they had been targeted because of the large proposed increase.

Nick Goforth asked if the transfer was a one off. Chris Allcock replied that this had been the plan at the time of the writing the consultation. However, given the latest monitoring and the forecasts for future years, he felt unable to provide any guarantees.

In response to another question, Chris clarified that the Schools Forum a decision on transferring funding one year at a time. If the Authority wished to make another transfer in the future it would be subject to a further consultation with schools and would require a separate Forum decision.

With regard to the sparsity question, schools which were ineligible last year and which now suddenly qualify are likely to see a sizeable increase in funding, even with the reduced increase in the multiplier. For those that were eligible last year, the £3,333 increase still represents a 7.4% uplift for primary schools, well above the increase in other formula multipliers.

Iain Peel said that the pressure on EHCP/GRIP funding is not unique, in 2019 there were 581 new plans issued, in 2020 the number was 632, in 2021, to date, the number is already 595. Although a real pressure, this is less than the national average. Nationally, the DfE anticipate a 29% increase in the future. He added that Leicestershire have a £37 million DSG deficit forecast in three years' time. The national average for out of area SEND provision is 2.1/1000 pupils whereas Derbyshire's figure is 1/1000. Nottingham and Nottinghamshire are doing much better without a DSG deficit, but they support SEND in a very different way to Derbyshire and have done so for 25/30 years. We do need to address our position.

Margaret Mason commented that the SEN support in the early years sector is increasing dramatically and they are just not getting the support they need from the LA. The system is too slow, if we supported children earlier, we could save problems later and we should concentrate on this.

Deborah Turner asked where the 0.5% figure for the transfer comes from. Chris Allcock replied this is the maximum that Schools Forum can approve locally; anything above that has to go to the Secretary of State. A Freedom of Information request to the DfE indicated that the Secretary of State does not overturn local Schools Forum decisions in this area.

Siobhan Johnson asked if the £10m DSG deficit is after the 0.5% SB transfer. Chris Allcock explained that £10m is the forecast figure for the end of this year. The 0.5% transfer, if approved, would then reduce this figure to £8m in 2022-23.

Councillor Alex Dale said he would continue to lobby as part of the F40 group about school funding and in particular HNB to government. He is also putting across our voice to the DfE as part of a cross party group including MPs and LAs

Lisa Key commented that the HNB is a huge problem and an ongoing issue, but we cannot continue this conversation every year. We talked about reducing central spend years ago and there is a need to see some financial benefits impact.

The vote on whether to approve the LA's request to transfer 0.5% of School Block to High Needs Block then took place. 15 members voted in favour, 2 against and there were 3 abstentions.

The Forum agreed the 0.5% transfer and the report's recommendations

21/25 Dates of future meetings

1st December 2021 6:00 p.m. (Virtual)
27th January 2022 6:00 p.m. (Virtual)
29th June 2022 5:00 p.m. (Post Mill Centre)

The meeting closed at 6.30pm.

DERBYSHIRE COUNTY COUNCIL**SCHOOLS FORUM****1st December 2021****Report of the Acting Executive Director for Children's Services
Schools Forum – Membership Update****1. Purpose of the Report**

To inform the Schools Forum of a change to its membership.

2. Information and Analysis

The Schools Forums (England) Regulations 2012 (as amended), which govern the operation of the Schools Forum, require that the Forum's membership is reviewed periodically to ensure that the allocation of mainstream school places between maintained schools and academies remains broadly representative of the position within each local authority. The membership of the Schools Forum was last reviewed in June 2020 and a summary of the current places is provided below.

Table 1 – Current Schools Forum Membership

Type	Head	Governors	Other	Total
LA Primary schools	4	3		7
LA Secondary schools	1	1		2
Mainstream academies*	*	*	*8	8
Sub Tot – Mainstream places	5	4	8	17
Nursery schools	1			1
LA Special schools	1			1
Academy – Special schools			1	1
Academy - Support Centres			1	1
Total – School places	7	4	10	21
Diocesan Representatives			2	2
Staff associations			3	3
16-19 providers			1	1
Non maintained early years			1	1
Total – Non school places	-	-	7	7
Total	7	4	17	28

* Mainstream academy representation is across phases

The allocation of the 17 LA maintained and academy places has been reviewed based on the estimated October 2021 pupil numbers and latest available early years and post 16 data. The resultant analysis is shown in Table 2 overleaf.

Table 2 – Revised Mainstream Schools Forum Membership

Mainstream Sector	Current Places	October 2021			
		Pupils	%	Places (Pro rata)	Places (Rounded)
Primary	7	41,163	38.9%	6.61	7
Secondary	2	11,088	10.4%	1.78	2
Academy	8	53,543	50.6%	8.60	9
Total	17	105,794	100.0%	17.00	18

The above analysis, together with the national direction of travel being for more schools to become academies, indicates that an increase in the academy places from 8 to 9 is now due.

However, as all of the 9 LA maintained places are currently filled, it is proposed to increase the size of the Forum from 28 to 29 on a temporary basis. This will avoid the need to remove an existing LA maintained representative from the Forum. In time the overall size of the Forum will naturally revert back to 28 as further academy transfers take effect and when a vacancy arises in the maintained sector.

It should be noted that under the Forum's Constitution decisions on changes to the membership have been delegated to the Executive Director for Children's Services by Cabinet.

The Forum is asked to note the change to the membership set out above.

- Other Considerations** In preparing this report the relevance of the following factors has been considered: prevention of crime & disorder, equality of opportunity, finance, human resources, legal & human rights, environmental, health, property and transport considerations.
- Background Papers** Files held in Commissioning, Communities and Policy Finance.
- Executive Director's Recommendation**

That the Schools Forum notes the change to its membership.

Alison Noble
Acting Executive Director for Children's Services

Derbyshire County Council**Schools Forum****1st December 2021****Report of the Pay and Reward Manager****Salary Sacrifice Shared Cost Additional Voluntary Contributions****Purpose of the report**

This is an information item to advise the Schools Forum of the new salary sacrifice shared cost additional voluntary contribution (AVC) scheme which will be open to all members of the Local Government Pension Scheme (LGPS), including Council employees employed in schools, and to confirm the percentage savings available to schools from AVC contributions.

Background

Members of the LGPS already have the option to contribute to AVCs to build up a pot of money to boost pension benefits on retirement. The LGPS member decides the amount which is deducted directly from pay before tax providing automatic tax relief at the relevant rate. Monthly contributions can be increased, decreased or stopped and started at a later date, and members have their own personal account and decide how the money is to be invested.

The new Salary Sacrifice Shared Cost AVC (SSSCAVC) scheme is very similar but has the additional benefit for the employee of paying lower national insurance contributions (NICs) plus the Council and schools will also benefit from a reduction in the employer NICs.

Most employees who contribute to a SSSCAVC scheme will have a 12% reduction in their NICs on the SSAVC amount. The employer NI savings are 13.8% plus 0.5% apprenticeship levy on SSSCAVC contributions.

Implementation Partner

The scheme provider will manage and administer the scheme through a Council-owned dedicated on-line platform where employees can apply for and manage their AVCs. The provider will promote and market the scheme across the organisation, transfer current SSAVC members into the new scheme (with the option to opt out if the employee wishes) and ensure HMRC compliance. The provider will charge the Council a fixed percentage on all employee contributions

Schools LGPS Members

As with the current scheme, the Council is keen to offer the SSSCAVC scheme to all Derbyshire County Council schools' employees who are members of the LGPS. To do this the Council would need to recover the commission costs of the provider plus a proposed 4.5% administration cost to cover setup and payroll administration costs. This

would provide a saving to schools of 4.8% on all contributions plus 0.5% apprenticeship levy, where this applies.

Currently across all schools there are only 20 employees who contribute to the current SSAVC scheme, however, it is envisaged that, once the regular communications and marketing campaign is launched, uptake in the scheme will increase considerably. The table below provides an example of possible employer NI savings to schools per employee annually:

Employee	Monthly employee SSSCAVC payment	Annual SSSCAVC payment	Total annual NI savings per employee excluding apprenticeship levy (AL) 13.8%	Total annual NI savings per employee including 0.5% AL 14.3%	Total annual savings to school per employee after 9% commission/admin excluding AL	Total savings to school per employee after 9% commission/admin including AL
A	£50	£600	£83	£86	£29	£32
B	£100	£1,200	£166	£172	£58	£64
C	£150	£1,800	£248	£257	£86	£95
D	£200	£2,400	£331	£343	£115	£127
E	£350	£4,200	£580	£601	£202	£223
F	£500	£6,000	£828	£858	£288	£318
G	£900	£10,800	£1,490	£1,544	£518	£572

Scheme Launch

The implementation process is scheduled to begin by early December 2021 and the Council will provide an introductory note to current AVC scheme members to provide information and guidance on the new scheme and the application process.

Once the scheme is launched, a series of communications will be sent to employees telling them about the new scheme, how to access the online platform and all the scheme information and FAQs. Employees will also be invited to presentations and/or webinars to explain the scheme and answer questions. It is envisaged that the scheme will launch in March 2022.

Officer's Recommendation

That the Schools Forum note the report.

Scott Davis
Pay and Reward Manager

DERBYSHIRE COUNTY COUNCIL
SCHOOLS FORUM
1st December 2021

Joint Report of the Acting Executive Director for Children's Services
and
the Director of Finance & ICT

Dedicated Schools Grant Monitoring 2021-22 – Quarter 2

1. Purpose of the Report

To provide the Schools Forum with an update of the Revenue Budget position of the Dedicated Schools Grant for 2021-22 up to the end of September 2021 (Quarter 2).

2. Information and Analysis

2.1. Forecast Summary

The estimates in this report are based on the best available information as at September 2021. The expected Dedicated Schools Grant (DSG) and 6th form grant income due to the Authority in 2021-22 total £383.776m. The Revenue Budget Monitoring Statement prepared at quarter 2 shows projected year-end expenditure of £386.564m. Both of these figures exclude monies recouped from the LA's gross DSG by the Education and Skills Funding Agency (ESFA), funds which are subsequently paid directly by the ESFA to academies.

The expected 2021-22 DSG overspend is £2.788m.

The net total DSG deficit brought forward from 2020-21 was £1.157m, which represents an accumulated overspend against the allocated grant of £3.755m, partially offset by other earmarked DSG reserve funds, as shown below.

Reserve	Balance at 31st March 2021 £m
Uncommitted DSG	(3.755)
Support for pupils in schools	0.038
New Schools pre & post opening grants	2.424
Early Years contingency	0.136
Total	(1.157)

The significant areas of expenditure and income are shown in the table overleaf:

DSG Block	Approved* Budget £m	Projected* Expenditure £m	F'cast Over/ (Under) Spend £m
Central School Services Block	4.903	4.180	(0.723)
Pupil Growth Funding	1.378	1.178	(0.200)
Re-pooled school funding	4.638	4.401	(0.237)
Early Years Block	41.790	41.818	0.028
High Needs Block	88.872	92.771	3.899
Schools Block	507.493	507.514	0.021
Total Expenditure	649.074	651.862	2.788
Dedicated Schools Grant	(649.074)	(649.074)	0.000
(Surplus)/Deficit	0.000	2.788	2.788

*Figures are shown before recouplement of academy funds by the ESFA.

2.2. Key Variances

2.2.1. **Central School Services Block (£0.723m u/s)** - The Forum agreed to leave this sum unallocated and thus available to help support the Authority's deficit recovery plans.

2.2.2. **Pupil Growth Fund (£0.200m u/s)**. The balance is primarily due to allocations to support schools to meet KS1 pupil/teacher ratios which is currently projected to be below the allocated budget.

2.2.3. **Re-pooled school funding (£0.237m u/s)** – This is the projected underspend for those services/functions funded by monies de-delegated from schools' budgets. The forecast underspend mainly relates to lower projected costs of maternity absences for primary school staff.

2.2.4. **High Needs Block (£3.899m o/s)** - expenditure to support children with additional needs is expected to exceed the allocated grant for 2021-22. Areas where support for children and young people have been increasing above the initial estimates prepared for budget setting are:

Element 3 top up payments in respect of mainstream primary and nursery school children are now expected to be £1.645m above the approved budget.

Element 3 top up payments in respect of mainstream secondary school children are now forecast to be £0.556m above the approved budget.

Element 3 top up payments in respect of children receiving their education in special schools are forecast to exceed the approved budget by £3.871m.

This includes an overspend of £0.432m in respect of children who are educated in Derbyshire special schools and academies. Also within the total, the budgets for Independent and non-maintained special schools and other Local Authority special schools and academies are forecast to overspend by £2.835m and

£0.663m respectively. Expenditure on SEN alternative provision has increased compared to initial estimates by £0.391m

The individual overspends listed above are partially offset by an unallocated contingency budget within the High Needs Block of £1.497m, this sum was set aside to cover demographic pressures this year.

2.2.5. **Schools Block (£0.021m o/s)** – this represents differences between the budget for schools’ rates bills and the costs incurred.

2.3. Risks

There is a risk that the following issues could negatively impact on the forecast outturn position reported in the Forecast Summary above:

Service Area	Risk	Sensitivity* £m	Likelihood 1=Low 5=High
High needs block placements and Element 3 top-ups	Increased number of children requiring placements or support	£0.300m - £1.500m	4

*This represents the potential negative impact on the outturn position should the event occur.

2.4 Impact

Based on the Quarter 2 monitoring, the overall DSG balances at 31st March 2022 would be as follows:

Reserve	Estimated Balance at 31 st March 2022 £m
Uncommitted DSG	(6.543)
Support for pupils in schools	0.038
New Schools pre & post opening grants	2.424
Early Years contingency	0.136
Total deficit	(3.945)

The above deficit balance would increase to £5.445m if the risks in 2.3 were to materialise.

The DfE have included provisions in the School and Early Years Finance (England) Regulations 2021 that a DSG deficit must be carried forward to be dealt with from future DSG income, unless the Secretary of State authorises the LA not to do this.

At its meeting in October, the Schools Forum agreed a one-off 0.5% transfer from the Schools block in 2022-23 and it is estimated that this will contribute £2.6m to the net deficit above.

3 Background Papers

Held on file within Commissioning, Communities and Policy Department. Officer contact details – Shelley Kerslake, shelly.kerslake@derbyshire.gov.uk

4 Officers' Recommendations

That the Schools Forum note:

- (i) the report and the forecast overspend for 2021-22; and
- (ii) the projected increase in the DSG deficit.

Alison Noble
Acting Executive Director
for Children's Services

Peter Handford
Director of Finance & ICT

Report Author: Shelley Kerslake

Contact Details: X38731

DERBYSHIRE COUNTY COUNCIL**SCHOOLS FORUM****1st December 2021****Joint Report of the Acting Executive Director for Children's Services
& Director of Finance and ICT****DfE Consultation: Reforming how local authorities' school
improvement functions are funded****1. Purpose of the Report**

To inform the Schools Forum of the above national consultation and to consider the issues arising locally.

2. Information and Analysis**2.1 Background**

On 29th October 2021, the DfE published a consultation seeking views about proposed changes to how local authorities' school improvement activities are funded. The consultation runs until 26th November 2021, a copy of the full consultation document can be found at:

<https://consult.education.gov.uk/simb-grant-team/local-authority-school-improvement-funding-reform>

The DfE consider that local authorities' school improvement activities fall into two broad categories:

(i) Core Improvement activities – these include statutory powers to warn and intervene in schools causing concern. These powers extend to issuing warning notices setting out actions the governing body are to take – with powers to require the governing body to enter into arrangements; to appoint additional governors; to provide for the governing body to consist of interim executive members; or to suspend the right to a delegated budget, if the governing body fails to take the required action.

In addition, the DfE's School Causing Concern guidance expects authorities to understand the performance of their schools, supporting those that need it to improve, and to encourage good and outstanding schools to take responsibility for their own and other schools' improvement.

Details of the activities undertaken locally by the Authority's School Improvement Service to discharge these functions are provided in Appendix 1.

The above functions are funded via a School Improvement Monitoring & Brokering Grant which is based on the number of maintained schools in a local authority area. For Derbyshire, in 2021-22 this grant was worth £0.980m based on approximately 272 schools, equivalent to around £3,600 per school.

(ii) Additional Improvement activities – these are functions over and above the core activities set out in (i) above. Since 2017, councils, with the approval of their Schools Forums, have been permitted to de-delegate funding from maintained mainstream schools’ budgets to fund these services.

Locally, funding has been de-delegated for additional improvement activities at the rate of £2,850 per mainstream school, a rate that has remained unchanged since 2018-19.

2.2 DfE Proposals

The DfE contend that the current position of having separate funding streams for the two categories of school improvement activity does not reflect the way in which councils work. As the consultation document states:” Rather, we believe that, in practice, activity connected to their core improvement activities forms part of a continuum of wider improvement activity that councils may choose to undertake. This is understandable: councils will want to act before performance deteriorates significantly and formal intervention becomes an inevitability, for example, by putting in place arrangements to spot signs of potential underperformance early and challenge it; and only moving on to formal intervention through warning notices and further intervention powers where this hasn’t worked and performance has deteriorated.”

Accordingly, the DfE propose removing the School Improvement Monitoring & Brokering Grant and allowing local authorities to fund all of their school improvement activity for maintained schools – outside of their traded services offer – via de-delegating resources from schools’ budgets. This would align the arrangements for maintained schools with those of individual academies and their MATs where funding for these functions is often top-sliced from budgets. The grant would be reduced by 50% for FY 2022-23 with the grant ceasing completely for 2023-24.

A copy of the consultation questions is attached as Appendix 2.

2.3 Financial Implications

If, following the national consultation, the government implements its proposals, the 50% reduction in grant funding would result in a loss to the Authority equivalent to £1,800 per school next year. The DfE propose giving councils the power in the Regulations to fund all improvement activities, including their core improvement activities, via the de-delegation of funds from schools’ budget shares, with the agreement of their local schools forum or the Secretary of State.

Should the national proposals be implemented, the Authority would need to consider the impact locally both on funding streams and the School Improvement Service. However, the timing of the consultation leaves little or no time for major changes to planned services in the short term.

As at 1st November 2021 there are 266 maintained primary and secondary schools, in Derbyshire which, before the reduction, would collectively have generated a grant for 2022-23 of £0.958m. The proposed 50% grant cut would equate to a loss

of £0.479m (i.e. £1,800 x 266) from April 2022. The options to recover this loss are as follows:

Option 1 – to follow the route expected by the DfE and fund the loss of grant by de-delegating the sum of £1,800 from each LA maintained mainstream school; and/or

Option 2 – utilise some of the accumulated de-delegation surplus to offset the impact on schools

Following the recent decision to top-slice 0.5% from schools' 2022-23 budgets to help fund our collective high needs pressures, option 1 would represent a modest but further erosion to the increase in schools' budgets next year. Option 2, whilst attractive in that it avoids any impact on individual schools' budgets, would cost £0.479m to cover the loss of grant in full and would utilise funds that would otherwise be applied against our general DSG deficit.

Bearing in mind the need to ensure continuity of service provision in the short term, and the pressures on both schools' budgets and central resources, the Authority proposes that Schools Forum:

- (i) Is asked to approve the sum of £1,800 per school to be de-delegated from maintained primary and secondary schools in 2022-23; and
- (ii) Support the release of 50% of the above sum by a contribution from the accumulated de-delegated surplus at an estimated cost of £0.240m

The net cost to each school of £900 equates to an average of 0.12% (primary) and 0.01% (secondary) of institutions' Schools Block allocations, based on 2021-22 budgets. These averages for 2022-23 would be slightly lower due to the increase in funding.

If agreed, the funding from these sources for 2022-23 would provide some limited time for the Authority to consider how best to reshape and fund its school improvement functions beyond April 2023, the point at which the grant is due to cease completely. If approval were not given to the de-delegation for 2022-23, the Authority would need to consider asking the Secretary of State for approval instead.

Further reports on the School Improvement offer will be brought to the Schools Forum during 2022.

3. **Other Considerations** In preparing this report the relevance of the following factors has been considered: prevention of crime & disorder, equality of opportunity, HR, legal & human rights, environmental, health, property and transport considerations.
4. **Background Papers** Files held in Commissioning, Communities and Policy Finance.
5. **Officers' Recommendations**
 - (i) That the Schools Forum notes the DfE's consultation proposals and the potential implications for Derbyshire schools and the School Improvement Service;

- (ii) That the primary and secondary sector representatives on the Forum consider and vote on the Authority's request to de-delegate an additional £1,800 from schools to cover the loss of grant; and
- (iii) Subject to the outcome of (ii), that the Schools Forum support the release of £900 per primary and secondary school of funds from the accumulated de-delegated surplus.

Alison Noble
Acting Executive Director
for Children's Services

Peter Handford
Director of Finance & ICT

Core regular tasks:

- Supporting governors with headteacher recruitment or brokering locum heads on an interim basis during a difficult situation.
- Analysis of data so that the Council can advocate as the champion of children and families to challenge practice in schools and academies which give cause for concern for aspects such as off-rolling, permanent exclusions, and Elective Home Education.
- Work with officers of the LA to ensure safeguarding for all children and provision for children with SEND is appropriately robust.
- Work with partner agencies such as health, early help, access and inclusion and social care.
- Work with other education partners to provide a coherent school improvement offer including: The Education Endowment Foundation, Derby Diocesan Board of Education the Potential Teaching School Hub, The Spencer Teaching School Hub, Derby Research School, the Turing Maths Hub, the East Midlands West Maths Hub, Flying High English Hub, Learners First English Hub, Ambition Leaders, Derby Primary Strategy Group, RM Integris and Ed Tech Demonstrator.
- Develop plans to improve outcomes for children such as for the Levelling Up fund for phonics and reading.
- Contacting school leaders and providing written responses to representations made to local members, Members of Parliament, Ofsted, DfE and Children's Services by residents.

Other statutory functions:

- Supporting the Standing Advisory Committee for Religious Education
- Leading external moderation, monitoring and investigating incidences of maladministration of SATs and teacher assessment
- Acting as the Appropriate body for Early Career Teachers

Additional pandemic-related functions:

- Maintaining positive relationships with school leaders in maintained schools and academies through swift, regular and frequent contact to offer support and guidance. This has been a very strong focus during the pandemic to help schools to remain open to children of key workers and vulnerable pupils during periods of lockdown and now to all children.
- Supporting families to access Free School Meal vouchers
- Acting as key workers to ensure that all children with Education, Health and Care Plans had appropriate provision, by making weekly contact with children

and young people up to age of 25 to ensure that they are safe and are accessing education.

- Continuing to provide support and challenge to ensure good outcomes for all children, pupils and students by setting a new set of locality meetings, focussing on school improvement, for primary headteachers and a separate forum for secondary headteachers.
- Signpost and act on behalf of schools to contact key services such as public health, health and safety, human resources, access and inclusion, transport, early help and social care.
- Working closely with officers of the Regional Schools Commissioner to check attendance and ensure that schools are using the correct guidance.
- Maintaining regular communications with the whole sector through FAQs in response to DfE guidance, EIS updates, newsletters and virtual briefings for leaders and governors as well as staff in school and settings
- Responding to emerging issues and facilitating the Future Shape education workstream groups for Early Years, Y6/7 transition; remote learning; catch-up and recovery; assessment; public health and emotional health and wellbeing.

Question 1: We believe that instances of councils exercising formal intervention powers remain relatively low, and that since its introduction, this grant has primarily supported improvement functions such as early support and challenge to improve individual school performance, which overlaps with wider (non-core) improvement provision.

Do you agree that this is the case? If not, please explain.

Question 2: We are proposing to (i) remove the Grant (Proposal 1), and (ii) enable councils to de-delegate funds via their schools forum to ensure they are sufficiently funded to exercise all of their improvement activities, including all core improvement activities (Proposal 2).

Do you agree that, taken together, these proposals will allow councils to continue to ensure they are adequately funded for core improvement activities; and therefore do not impose a new burden? If not, please explain.

Question 3: Bearing in mind Proposals 1 and 2, are there any aspects of our guidance to councils on their role in school improvement which could usefully be clarified to aid understanding of what councils are accountable for with respect to improvement and how it should be funded? (For example, our Schools Causing Concern guidance.)

Question 4: The Public Sector Equality Duty (PSED) requires that public bodies consider the potential effects of key decisions on groups with protected characteristics. The relevant protected characteristics for the purposes of the PSED are: sex; race; disability; religion or belief; sexual orientation; pregnancy or maternity; gender reassignment; and age.

Please let us know, providing evidence where possible, if you believe any of the proposals set out in this consultation will have the potential to have an impact on specific groups, in particular those with relevant protected characteristics

DERBYSHIRE COUNTY COUNCIL**SCHOOLS FORUM****1st December 2021****Joint Report of the Acting Executive Director for Children's Services****and the Director of Finance and ICT****Central School Services Block (CSSB) Budgets 2022-23**1. Purpose of the Report

To seek Schools Forum approval to the 2022-23 Central School Services Block budgets.

2. Information and Analysis

This block of the Dedicated Schools Grant was introduced in 2018-19 to fund local authorities for the statutory duties that they hold for both maintained schools and academies. The Central School Services Block (CSSB) brings together:

Item	Basis for funding
Ongoing responsibilities - previously funded from the Retained Duties element of the former Education Services Grant – see Appendix 1	Rate per primary/secondary pupil
Ongoing responsibilities - central functions previously funded from the Schools Block (Admissions, Schools Forum, defined Copyright Licences)	Rate per primary/secondary pupil
Historic commitments previously held within the Schools Block	LA-specific cash sum based on previous spend

Where local authorities hold duties in relation to all schools (as set out in Schedule 2, Parts 1 to 3 of the School and Early Years Finance Regulations 2018 (No 2)), all schools must be treated on an equivalent basis.

Decisions on budgets funded by the CSSB are a matter for Schools Forums rather than local authorities.

Details of the 2022-23 CSSB funding rates were announced in July 2021. Derbyshire's rate for its ongoing responsibilities reduced slightly from £38.45 to £37.49 per pupil. The historic commitments element – which in Derbyshire's case, contributes to our Early Help offer - has been reduced by 20%, from £1.112m to £0.889m. This reduction was expected and broadly in line with previous assumptions. The figure is unlikely to change in the final settlement.

At the time of writing the final CSSB allocation for 2022-23 had yet to be confirmed. However, the only variable now is the number of children in mainstream schools and academies for October 2021, for which the Authority has its own robust estimates. The expected allocation for 2022-23 is summarised in Table 1 below.

Table 1 – Estimated CSSB Allocation 2022-23

	2022-23	2021-22
NFF multiplier	£37.49	£38.45
October 2021 (estimated) & 2020 (actual) census	98,829	98,603.5
Total ongoing responsibilities	£3,705,099	£3,791,305
Historic commitments	£889,344	£1,111,680
Total Central School Services Block	£4,594,443	£4,902,985

Given that the impact of any under or overstatement of the October 2021 pupil numbers will be marginal, the Authority considers it has sufficient information to make budget recommendations to the Schools Forum. The proposed allocation of CSSB funding for 2022-23 is set out in Table 2 below.

Table 2 – Proposed Central Schools Block spend

<u>Item</u>	2022-23 £m	2021-22 £m	Note
<u>Ongoing responsibilities</u>			
Admissions Service	0.535	0.559	Base reviewed/reduced
Schools Forum	0.041	0.041	No change
Former ESG Retained duties (App 1)	1.751	1.680	Inflation
Pensions for centrally funded teachers	0.172	0.169	Working estimate
Copyright Licences (2022-23 estimate, DfE to confirm)	0.618	0.618	DfE pay & recharge LAs. Forum approval not req'd.
Ongoing responsibilities sub total	3.117	3.067	
<u>Item</u>	2022-23 £m	2021-22 £m	Note
<u>Historic commitments</u>			
Contribution to combined budgets	0.889	1.112	20% reduction
Historic commitments sub total	0.889	1.112	
Total Central Services Schools Block	4.006	4.179	
Balance – (towards DSG deficit)	0.588	0.724	

3. Ongoing responsibilities

Admissions Service - the updated budget reflects a review of current spend.

Schools Forum - No changes are planned to the Schools Forum budget.

Former ESG Retained Duties - the costs of the services previously funded by the Education Services Grant (ESG) were estimated in late 2020 and informed the 2021-22 budget, details are shown in Appendix 1. The proposed allocation for 2022-23 updates the current budget for inflation.

Pensions for centrally funded teachers – From September 2019 employers' pension contributions for teachers rose from 16.48% to 23.68% of gross pay. In 2020-21 LAs received a specific grant to cover the increase in costs for teaching staff

funded outside of the DSG. However, since 2021-22 funding for the extra costs has been included in the CSSB instead with national regulations being amended to allow LAs to transfer relevant funds out of the DSG to meet their costs. The budget requirement for 2022-23 reflects the estimated additional pension costs next year for relevant teachers.

Copyright licences - the DfE determine the amounts to be paid to the various copyright organisations at a national level and the cost is then recharged to LAs based on the number of pupils in schools and academies. The Schools Forum has no discretion in funding the amount recharged. The licences covered by this arrangement are as follows:

- Copyright Licensing Agency: - copying text and still images from most books, journals and magazines plus a range of digital publications.
- Printed Music Licencing Ltd: - copying and arranging from printed music publications. The Copyright Licensing Agency administers this licence.
- NLA Media Access: - copying from newspapers and magazines. The Copyright Licensing Agency administers this licence and has information on copying from print and digital newspapers
- Educational Recording Agency: - recording and use of radio and television programmes and clips, including catch-up services like BBC iPlayer, for educational use. The Centre for Education & Finance Management administers this licence and operates a helpdesk for schools providing information about the licence
- Performing Right Society Ltd: - for musical performances. The Centre for Education and Finance Management administers this licence
- Phonographic Performance Ltd: - for playing recorded music. The Centre for Education and Finance Management administers this licence.
- The Mechanical Copyright Protection Society: - for making CDs and DVDs containing copyright music. The Centre for Education and Finance Management administers this licence
- Filmbankmedia and Motion Picture Licensing Company: - for showing films
- Christian Copyright Licensing International: - copying and projecting hymns and other Christian music

4. Historic Commitments

Derbyshire's 2022-23 historic commitments allocation of £0.889m is a 20% reduction on the 2021-22 figure. This replicates the pattern of previous years, for example 2020-21 was 20% lower than 2019-20. The DfE intend phasing out LAs' historic funding over the next few years.

The Authority is seeking permission to retain the full £0.889m in 2022-23. If the Schools Forum were to agree, the proposed budget would continue to fund the contribution to the Authority's early help offer. The Council believes that this contribution from the DSG will help to ensure that the most vulnerable children and their families continue to receive the support they require.

From a purely financial perspective, it continues to be in the Authority's, schools and academies' collective interests to commit the resources for early help once again as any reduction in reported planned spend is likely to reduce future years' CSSB grant allocations. As its name suggests, allocations of grant from the DfE are based on historic spend: if Derbyshire were to report a lower planned spend in 2022-23 our allocation for 2023-24 would be reduced accordingly, before any further national percentage reduction was applied.

Final decisions on the level of CSSB spend are a matter for the Schools Forum. The LA is now seeking formal approval to be allowed to retain the amounts set out in Table 2 for 2022-23. If Schools Forum approval were not granted the Authority would have to consider making an application to the Secretary of State for Education for permission to retain the funding.

The unallocated grant, estimated to be £0.588m, is sufficient to cover the impact of any variations between actual and estimated pupil data and/or any variation in the DfE licencing costs recharge. The residual CSSB funds would remain uncommitted and thus help repay the accumulated DSG deficit.

5. Other Considerations

In preparing this report the relevance of the following factors have been considered: prevention of crime & disorder, equality of opportunity, finance, human resources, legal & human rights, environmental, health, property and transport considerations.

6. Background Papers

Held in Commissioning, Communities and Policy Finance.

7. Officers' Recommendations

That the Schools Forum:

- (i) consider the report; and
- (ii) agree to the 2022-23 CSSB budgets requested by the Authority, as set out in Table 2 above.

Alison Noble
Acting Executive Director
For Children's Services

Peter Handford
Director of Finance & ICT

Former ESG-funded responsibilities LAs hold for all schools & academies Appendix 1

Statutory and Regulatory Duties

Item	Estimated Cost 2020-21 (£K)
Director of children's services and personal staff for director (Sch 2, 15a)	118
Planning for the education service as a whole (Sch 2, 15b)	517
Revenue budget preparation, preparation of information on income and expenditure relating to education, and external audit relating to education (Sch 2, 22)	25
Authorisation and monitoring of expenditure not met from schools' budget shares (Sch 2, 15c)	231
Formulation and review of local authority schools funding formula (Sch 2, 15d)	78
Internal audit and other tasks related to the authority's chief finance officer's responsibilities under Section 151 of LGA 1972 except duties specifically related to maintained schools (Sch 2, 15e)	60
Consultation costs relating to non-staffing issues (Sch 2, 19)	-
Plans involving collaboration with other LA services or public/voluntary bodies (Sch 2, 15f)	-
Standing Advisory Committees for Religious Education (SACREs) (Sch 2, 17)	11
Provision of information to or at the request of the Crown other than relating specifically to maintained schools (Sch 2, 21)	-

Education Welfare

Item	Estimated Cost 2020-21 (£K)
Functions in relation to the exclusion of pupils from schools, excluding any provision of education to excluded pupils (Sch 2, 20)	-
School attendance (Sch 2, 16)	117
Responsibilities regarding the employment of children (Sch 2, 18)	35

Asset Management

Item	Estimated Cost 2020-21 (£K)
Management of the LA's capital programme including preparation and review of an asset management plan, and negotiation and management of private finance transactions (Sch 2, 14a)	500
General landlord duties for all buildings owned by the local authority, including those leased to academies (Sch 2, 14b)	
TOTAL ESTIMATED COST (2020-21 figures)	1,692

DERBYSHIRE COUNTY COUNCIL**SCHOOLS FORUM****1st December 2021****Joint Report of the Acting Executive Director for Children's Services
and Director of Finance and ICT****High Needs Block Budgets 2022-23 – initial review****1. Purpose of the Report**

To report the indicative High Needs Block settlement for 2022-23 and consider the potential implications for spending next year.

2. Information and Analysis

The indicative High Needs Block settlement was published in July 2021 and reported to the October Schools Forum: summary details are set out in Appendix 1. Derbyshire's allocation is set to increase by £7.014m next year, equivalent to 7.88%. The final allocation for next year will be announced in late December and will reflect increases in pupil numbers and import/export adjustments.

As reported earlier in this meeting, Derbyshire's 2021-22 High Needs Block is forecast to overspend by £3.898m. Against this backdrop this report looks at the current and forecast pressures to be considered for funding next year.

2.1 Places

The Authority is in the process of agreeing the number of places to commission in special schools, ER schools, PRUs and FE Colleges etc. At the time of writing the net additional cost of the increase in places required next year is estimated to be £0.618m. An analysis of the current and provisional places for 2022-23 is provided at Appendix 2. The overall increase in cost is largely accounted for by additional places in special schools (65.25 places, cost £652,500).

2.2 Top ups

In light of current expenditure levels, 2022-23 budgets need to reflect the following:

- (i) The full year impact of the current year's increases in top ups in 2022-23;
- (ii) The expected further increases in demand and costs next year; and
- (iii) The increased number of special school places (65.83).

It is estimated that the above pressures will require around £7.3m next year.

2.3 Services

No major changes are proposed to service budgets.

The implications of the assumptions in sections 2.1 to 2.3 above are set out in Appendix 3 and the totals summarised below.

Budget head	2021-22 base budget £000	Places £000	Demographic pressure 2021-22 £000	Demographic pressure 2022-23 £000	2022-23 provisional base £000
Places	15,261	618	0	0	15,879
Top ups	56,370	0	5,741	1,772	63,883
Services/other	17,336	0	-188	0	17,148
Total	88,967	618	5,553	1,772	96,910
Grant	88,965	0	0	0	95,979
Shortfall	2				931

Despite the budgets in the above table and Appendix 3 being at current prices the current and expected demographic increases in SEN demand are expected to result in the total spend exceeding the grant by least £0.931m.

As already reported to this meeting, the Council's DSG deficit is forecast to be ~£3.9m at 31st March 2022. This total includes surplus earmarked reserves to meet known liabilities of £2.6m and a general reserve deficit of £6.5m. Given this position, cost reduction measures need to be identified to close the HNB shortfall and avoid increasing the accumulated deficit, and to provide scope to increase budgets for inflation and meet other service priorities.

A further report on high needs budgets for 2022-23 will be brought to the January 2022 Forum meeting.

3. **Other Considerations** In preparing this report the relevance of the following factors has been considered: prevention of crime & disorder, equality of opportunity, finance, human resources, legal & human rights, environmental, health, property and transport considerations.
4. **Background Papers** Held in Commissioning, Communities and Policy Finance.
5. **Officers' Recommendations:**

That the Schools Forum:

- (i) notes and gives its views on the indicative grant settlement and provisional base budgets for 2022-23; and
- (ii) agrees to receive a further report on high needs budgets at its meeting in January 2022.

Alison Noble
Acting Executive Director
for Children's Services

Peter Handford
Director of Finance & ICT

High Needs Block – Indicative Settlement 2022-23

Appendix 1

	2021-22			2022-23			Total
	Count	Multiplier	Total	Count	Multiplier	Total	Change
	£	£	£m	£	£	£m	£m
Population aged 2-18	148,497	181.74	26.988	149,240	203.48	30.367	+3.380
Health/Dis. - Children bad health	670	4,872.38	3.264	670	5,487.59	3.677	+0.412
Health/Dis. - Children DLA	5,928	713.24	4.228	6,335	756.166	4.790	+0.562
Deprivation - Current free meals	21,422	268.27	5.747	25,984	254.582	6.615	+0.868
Deprivation - IDACI Band F	11,811	55.03	0.650	11,800	61.406	0.725	+0.075
Deprivation - IDACI Band E	16,028	72.57	1.163	16,202	81.057	1.313	+0.150
Deprivation - IDACI Band D	5,922	99.13	0.587	5,943	110.854	0.659	+0.072
Deprivation - IDACI Band C	7,363	105.27	0.775	7,422	117.629	0.873	+0.098
Deprivation - IDACI Band B	6,940	117.28	0.814	6,988	130.748	0.914	+0.100
Deprivation - IDACI Band A	1,674	155.23	0.260	1,683	172.555	0.290	+0.031
Low Attainment @ KS2	1,323	3,241.14	4.288	1,260	3,896.15	4.909	+0.621
Low Attainment @ KS4	1,664	2,380.89	3.962	1,556	2,755.36	4.287	+0.326
Historic spend			33.032			33.499	+0.467
Funding floor			0.000			0.163	+0.163
Sub total			85.758			93.082	+7.323
Funding per pop'n aged 2-18 (£)			£577.51			£623.70	+8.00%
Hospital Education			0.289			0.294	+0.005
Basic entitlement	1,145	4,660.00	5.336	1,145	4,660.00	5.336	-
Import/export adjustment	-403.0	6,000.00	-2.418	-455.5	6,000.00	-2.733	-0.315
Total High Needs Block			88.965			95.979	+7.013
Increase (£m)						+7.014	
Increase (%)						+7.88%	

High Needs Places 2022-23

Appendix 2

DfE	School	Places 2022-23			Places 2021-22			Budget		Change
		April	Sept	FTE	April	Sept	FTE	2022-23	2021-22	
Enhanced Resource Schools (ERS)								£	£	£
2025	Springfield Junior School	11.00	14.00	12.75	8.00	11.00	9.75	76,500	58,500	18,000
2026	New Whittington Community Primary School	10.00	8.00	8.83	9.00	10.00	9.58	53,000	57,500	-4,500
2036	Dunston Primary and Nursery Academy	6.00	6.00	6.00	6.00	6.00	6.00	36,000	36,000	0
2037	Langley Mill Academy	8.00	9.00	8.58	6.00	8.00	7.17	51,500	43,000	8,500
2116	Aldercar Infant School	4.00	3.00	3.42	6.00	4.00	4.83	20,500	29,000	-8,500
2356	Elmsleigh Infant & Nursery School	16.00	16.00	16.00	16.00	16.00	16.00	96,000	96,000	0
4004	Outwood Academy Newbold	17.00	16.00	16.42	16.00	17.00	16.58	98,500	99,500	-1,000
4052	The Long Eaton School	11.00	11.00	11.00	11.00	11.00	11.00	66,000	66,000	0
5410a	The Pingle Academy(Area)	29.00	33.00	31.33	29.00	29.00	29.00	188,000	174,000	14,000
5410c	The Pingle Academy(Autism)	15.00	15.00	15.00	15.00	15.00	15.00	90,000	90,000	0
4013	Hope Valley College(Post 16)	18.00	18.00	18.00	18.00	18.00	18.00	108,000	108,000	0
2011	Brampton Primary School	14.00	14.00	14.00	14.00	14.00	14.00	84,000	84,000	0
2013	Chapel-en-le-Frith CofE VC Primary School	19.00	19.00	19.00	19.00	19.00	19.00	114,000	114,000	0
2190	Pilsley Primary School	10.00	10.00	10.00	10.00	10.00	10.00	60,000	60,000	0
2268	Whaley Bridge Primary School	8.00	8.00	8.00	8.00	8.00	8.00	48,000	48,000	0
2333	Ashbourne Hilltop Primary & Nursery School	4.00	3.00	3.42	5.00	4.00	4.42	20,500	26,500	-6,000
4019	Chapel-en-le-Frith High School	34.00	35.00	34.58	34.00	34.00	34.00	207,500	204,000	3,500
4074	William Allitt School	0.00	0.00	0.00	0.00	0.00	0.00	0	0	0
4089b	Aldercar High School(HI)	8.00	6.00	6.83	8.00	8.00	8.00	41,000	48,000	-7,000
4089d	Aldercar High School(Phys)	1.00	0.00	0.42	1.00	1.00	1.00	2,500	6,000	-3,500
4173	Tibshelf Community School	15.00	15.00	15.00	18.00	15.00	16.25	90,000	97,500	-7,500
	Sub total - ERS	258.00	259.00	258.58	257.00	258.00	257.58	1,551,500	1,545,500	6,000

		Places 2022-23			2022-23	Places 2021-22		2021-22	Budget		
		April	August	FTE	April	August	FTE	2022-23	2021-22	Change	
	Post 16							£	£	£	
4000	Swanwick Hall School	1.00	1.00	1.00	0.00	1.00	0.67	6,000	4,000	2,000	
4004s	Outwood Academy Newbold	1.00	1.00	1.00	1.00	1.00	1.00	6,000	6,000	0	
4006	David Nieper Academy	0.00	1.00	0.67	0.00	0.00	0.00	4,000	0	4,000	
4009	John Port Spencer Academy	2.00	2.00	2.00	0.00	2.00	1.33	12,000	8,000	4,000	
4012	Glossopdale School	1.00	1.00	1.00	1.00	1.00	1.00	6,000	6,000	0	
4052s	The Long Eaton School	1.00	1.00	1.00	1.00	1.00	1.00	6,000	6,000	0	
4013s	Hope Valley College	0.00	0.00	0.00	0.00	0.00	0.00	0	0	0	
4174	Highfields	1.00	1.00	1.00	2.00	1.00	1.33	6,000	8,000	-2,000	
4196	Brookfield Community School	1.00	2.00	1.67	1.00	1.00	1.00	10,000	6,000	4,000	
4500	Queen Elizabeth's Grammar School	3.00	2.00	2.33	3.00	3.00	3.00	14,000	18,000	-4,000	
5400	Netherthorpe School	3.00	3.00	3.00	1.00	3.00	2.33	18,000	14,000	4,000	
5401	The Ecclesbourne School	4.00	3.00	3.33	6.00	4.00	4.67	20,000	28,000	-8,000	
5408	Heanor Gate Science College	2.00	1.00	1.33	0.00	2.00	1.33	8,000	8,000	0	
5409	Friesland School	1.00	1.00	1.00	0.00	1.00	0.67	6,000	4,000	2,000	
5410	The Pingle Academy	1.00	1.00	1.00	2.00	1.00	1.33	6,000	8,000	-2,000	
5413	St Mary's Catholic High School Academy	4.00	5.00	4.67	2.00	4.00	3.33	28,000	20,000	8,000	
5416	The Ripley Academy	1.00	1.00	1.00	0.00	1.00	0.67	6,000	4,000	2,000	
4089	Aldercar High School	9.00	20.00	16.33	13.00	9.00	10.33	98,000	62,000	36,000	
4505	Anthony Gell School	2.00	3.00	2.67	2.00	2.00	2.00	16,000	12,000	4,000	
4509	Dronfield Henry Fanshawe School	1.00	1.00	1.00	2.00	1.00	1.33	6,000	8,000	-2,000	
4510	Buxton Community School	0.00	1.00	0.67	1.00	0.00	0.33	4,000	2,000	2,000	
5404	Belper School and Sixth Form Centre	0.00	0.00	0.00	0.00	0.00	0.00	0	0	0	
5411	Lady Manners School	4.00	2.00	2.67	3.00	4.00	3.67	16,000	22,000	-6,000	
	Sub total - Post 16	43.00	54.00	50.33	41.00	43.00	42.33	302,000	254,000	48,000	
	TOTAL PLACES	1,728.00	1,794.00	1,767.42	1,659.00	1,728.00	1,700.42	15,878,500	15,260,500	618,000	